MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2018/2019

TME 3221 – MARKETING AND E-COMMERCE

(All sections / Groups)

16 OCTOBER 2018
2.30 p.m. - 4.30 p.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question paper consists of 4 pages excluding cover page with 5 Questions only.

2. Attempt **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.

3. Please write all your answers in the Answer Booklet provided.

QUESTION 1

a. Explain the major impacts of technology in traditional marketing. (2 marks)

b. Explain the change of traditional marketing with the use of technology. (3 marks)

c. Explain any **FIVE (5)** marketing functions based on **ONE (1)** example. Use the same example for all the functions. (5 marks)

QUESTION 2

Consider the following article for Question 2.

Brent Walker, vice president and CMO at C2B Solutions, says the distinguishing feature of C2B is that customers bring value to the company. "This could involve consumers co-creating ideas, product/service concepts and solutions with a company through social media. C2B can also mean that a business brings consumer insights and consumer-centric solutions to another business as its primary service or value-added offering," Walker told Business News Daily.

C2B business models include reverse auctions, in which customers name the price for a product or service they wish to buy. Another form of C2B occurs when a consumer provides a business with a fee-based opportunity to market the business's products on the consumer's blog. For example, food companies may ask food bloggers to include a new product in a recipe, and review it for readers of their blogs. YouTube reviews may be incentivised by free products or direct payment. This could also include paid advertisement space on the consumer website. Google Adwords/Adsense has enabled this kind of relationship by simplifying the process in which bloggers can be paid for ads. Services such as Amazon Affiliates allow website owners to earn money by linking to a product for sale on Amazon.

The C2B model has flourished in the Internet age because of ready access to consumers who are "plugged in" to brands. Where the business relationship was once strictly one-directional, with companies pushing services and goods to consumers, the new bi-directional network has allowed consumers to become their own businesses. Decreases in the cost of technologies such as video cameras, high-quality printers and Web development services give consumers access to tools for promotion and communication that were once limited to large companies. As a result, both consumers and businesses can benefit from the C2B model.

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For the C2B relationship to be fulfilled, the participants must be clearly defined. The consumer could be any individual who has something to offer a business, either a service or a good. Examples could be a blogger, as mentioned before, or a photographer offering stock images to businesses. The consumer could also be someone answering a poll through a survey site, or offering job-hiring services by referring someone through referral hiring sites such as elance.com.

The business in this model could be any company planning to buy goods or services from individuals either directly or indirectly. An intermediary would connect the business that needs a service or a good to the mass of individuals, acting as a portal both for buyers and sellers. For example, the intermediary could be a company looking to fill a job through a referral hiring site, a company seeking to advertise online through Google Adwords, or a company that needs individuals to take surveys and provide market research.

Because C2Bs are relatively new, underlying legal issues such as how to bill and receive money have yet to be fully sorted out. A traditional firm would pay wages to a limited group of employees, but C2B businesses could potentially have to process thousands of customer payments. Fortunately, intermediaries often take care of the financial and legal aspects of C2B transactions. Services like PayPal and Google Wallet ease the burden of payment, and Google Adsense pays webmasters by sending them checks in dollars, incurring shipping fees for Google and currency conversion fees for international users.

Growing your C2B business requires dedication and a few special skills. "B2B typically relies on its sales function and account management team to establish and strengthen customer/client relationships," Walker said.

According to Walker, companies interested in extending their models to reach a C2B audience should consider the following marketing tools:

- Market research (quantitative surveys, qualitative interviews, segmentation).
- Consumer feedback channels, such as rating and reviews, customer service lines, avenues for suggestions/comments.
- Social media, such as online consumer user communities, Facebook pages, Twitter followings, etc.

Source: Katherine Arline, BusinessNewsDaily Contributor, January 2, 2015 10:13 am EST

a. Define ***Collaborative*** and ***Community*** with any example from the above article. (3 marks)

b. What are the **TWO (2)** suitable e-commerce models used by Google Adwords/Adsense? Give **ONE (1)** example for each model from the article. (2 marks)

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c. Propose **ONE (1)** suitable e-commerce application for Amazon and Google Adwords/Adsense. Give a reason for choosing that application. (1 mark)

d. Generate the convergence of E-Commerce using Google Adwords/Adsense. (4 marks)

QUESTION 3

a. Explain *New product lines, Innovation and Lower-cost products* of product mix. Provide one example of computer application for each of the three strategies of the Product Mix. (3 marks)

b. "Buyers and sellers know the price". Why is this an important concept for eBay? (3 marks)

c. Define promotion and state one sentence to describe promotion job in Marketing Mix. (2 marks)

d. Explain how the Internet is affecting distribution channel length. (2 marks)

QUESTION 4

a. Consider the following statements regarding ABC.com:

> ABC.com is considering to open its new variation of product. Data collection was conducted to gather marketing data to test a new product concept. Many similar products are available in the market.

a. You are the marketing manager of ABC.com. Initiate an appropriate method for this data collection task. Conclude your answer with justification. (4 marks)

b. Explain doctrine of first sale and doctrine of fair use and how should the **TWO (2)** doctrines be applied online. (4 marks)

c. Explain **TWO (2)** examples of competitor positioning used by physical product and software business. (2 marks)

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QUESTION 5

a. Consider the following statements regarding DEF.com:

DEF.com is a company that sells smartphones to both business and individual consumers.
In 2017, DEF.com began a successful remarketing campaign using specifically tailored Google Display ads for 3 different shopping behaviours:

- General visitors.
- Those who abandoned shopping carts.
- Purchasers.

They continue to use this strategy for maximum effectiveness and efficiency.

a. Identify any **FIVE (5)** paid media that might work for DEF.com, including Facebook. Explain why each might be a good idea for this company. (5 marks)

b. Marketers can engage customers using content. Explain **TWO (2)** ways to engage customers using content by drawing their interests. (2 marks)

c. Explain how Customer Relationship Management (CRM) is applied to social media. (3 marks)

End of Paper